



Senate

General Assembly

February Session, 2004

File No. 272

Senate Bill No. 579

Senate, March 25, 2004

The Committee on Government Administration and Elections reported through SEN. DEFRONZO of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT PROVIDING A PREFERENCE FOR CONNECTICUT COMPANIES IN COMPETITIVE BIDDING OF STATE CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 4a-59 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2004*):

4 (c) All open market orders or contracts shall be awarded to (1) the
5 lowest responsible qualified bidder, the qualities of the articles to be
6 supplied, their conformity with the specifications, their suitability to
7 the requirements of the state government and the delivery terms being
8 taken into consideration and, at the discretion of the Commissioner of
9 Administrative Services, life-cycle costs and trade-in or resale value of
10 the articles may be considered where it appears to be in the best
11 interest of the state, (2) the highest scoring bidder in a multiple criteria
12 bid, in accordance with the criteria set forth in the bid solicitation for

13 the contract, or (3) the proposer whose proposal is deemed by the
14 awarding authority to be the most advantageous to the state, in
15 accordance with the criteria set forth in the request for proposals,
16 including price and evaluation factors. Notwithstanding any provision
17 of the general statutes to the contrary, each state agency awarding a
18 contract through competitive negotiation shall include price as an
19 explicit factor in the criteria in the request for proposals and for the
20 contract award. In considering past performance of a bidder for the
21 purpose of determining the "lowest responsible qualified bidder" or
22 the "highest scoring bidder in a multiple criteria bid", the
23 commissioner shall evaluate the skill, ability and integrity of the
24 bidder in terms of the bidder's fulfillment of past contract obligations
25 and the bidder's experience or lack of experience in delivering
26 supplies, materials, equipment or contractual services of the size or
27 amount for which bids have been solicited. In determining the lowest
28 responsible qualified bidder for the purposes of this section, the
29 commissioner may give a price preference of up to ten per cent for (A)
30 the purchase of goods made with recycled materials or the purchase of
31 recyclable or remanufactured products if the commissioner determines
32 that such preference would promote recycling or remanufacturing. As
33 used in this subsection, "recyclable" means able to be collected,
34 separated or otherwise recovered from the solid waste stream for
35 reuse, or for use in the manufacture or assembly of another package or
36 product, by means of a recycling program which is reasonably
37 available to at least seventy-five per cent of the state's population,
38 "remanufactured" means restored to its original function and thereby
39 diverted from the solid waste stream by retaining the bulk of
40 components that have been used at least once and by replacing
41 consumable components and "remanufacturing" means any process by
42 which a product is remanufactured; (B) the purchase of motor vehicles
43 powered by a clean alternative fuel; or (C) the purchase of motor
44 vehicles powered by fuel other than a clean alternative fuel and
45 conversion equipment to convert such motor vehicles allowing the
46 vehicles to be powered by either the exclusive use of clean alternative
47 fuel or dual use of a clean alternative fuel and a fuel other than a clean

48 alternative fuel. As used in this subsection, "clean alternative fuel" shall
49 mean natural gas or electricity when used as a motor vehicle fuel. All
50 other factors being equal, preference shall be given to supplies,
51 materials and equipment produced, assembled or manufactured in the
52 state, [and] services originating and provided in the state and bidders
53 or proposers based in the state. If any such bidder refuses to accept,
54 within ten days, a contract awarded to such bidder, such contract may
55 be awarded to the next lowest responsible qualified bidder or the next
56 highest scoring bidder in a multiple criteria bid, whichever is
57 applicable, and so on until such contract is awarded and accepted. If
58 any such proposer refuses to accept, within ten days, a contract
59 awarded to such proposer, such contract shall be awarded to the next
60 most advantageous proposer, and so on until the contract is awarded
61 and accepted. There shall be a written evaluation made of each bid.
62 This evaluation shall identify the vendors and their respective costs
63 and prices, document the reason why any vendor is deemed to be
64 nonresponsive and recommend a vendor for award. A contract valued
65 at one million dollars or more shall be awarded to a bidder other than
66 the lowest responsible qualified bidder or the highest scoring bidder in
67 a multiple criteria bid, whichever is applicable, only with written
68 approval signed by the Commissioner of Administrative Services and
69 by the Comptroller. The commissioner shall submit to the joint
70 standing committee of the General Assembly having cognizance of
71 matters relating to government administration, the State Auditors and
72 the Comptroller, an annual report of all awards made pursuant to the
73 provisions of this section.

74 Sec. 2. Subsection (a) of section 4b-91 of the general statutes, as
75 amended by section 1 of public act 03-215, is repealed and the
76 following is substituted in lieu thereof (*Effective October 1, 2004*):

77 (a) Every contract for the construction, reconstruction, alteration,
78 remodeling, repair or demolition of any public building for work by
79 the state, which is estimated to cost more than five hundred thousand
80 dollars, except (1) a contract awarded by the Commissioner of Public
81 Works for (A) a community court project, as defined in subsection (j) of

82 section 4b-55, as amended, (B) the Connecticut Juvenile Training
83 School project, as defined in subsection (k) of section 4b-55, as
84 amended, (C) the downtown Hartford higher education center project,
85 as defined in subsection (l) of section 4b-55, as amended, (D) The
86 University of Connecticut library project, as defined in subsection (d)
87 of section 4b-55, as amended, (E) a correctional facility project, as
88 defined in subsection (m) of section 4b-55, as amended, (F) a juvenile
89 detention center project, as defined in subsection (n) of section 4b-55,
90 as amended, or (G) a student residential facility for the Connecticut
91 State University system that is a priority higher education facility
92 project, as defined in subsection (f) of section 4b-55, as amended, or (2)
93 a project, as defined in subdivision (16) of section 10a-109c, undertaken
94 and controlled by The University of Connecticut in accordance with
95 section 10a-109n, shall be awarded to the lowest responsible and
96 qualified general bidder who is prequalified pursuant to section 3 of
97 [this act] public act 03-215 on the basis of competitive bids in
98 accordance with the procedures set forth in this chapter and section 9
99 of [this act] public act 03-215 after the Commissioner of Public Works
100 or, in the case of a contract for the construction of or work on a
101 building under the supervision and control of the Joint Committee on
102 Legislative Management of the General Assembly, the joint committee
103 or, in the case of a contract for the construction of or work on a
104 building under the supervision and control of one of the constituent
105 units of the state system of higher education, the constituent unit, has
106 invited such bids by advertisements inserted at least once in one or
107 more newspapers having a circulation in each county in the state. All
108 other factors being equal, preference shall be given to bidders based in
109 the state. The Commissioner of Public Works, the joint committee or
110 the constituent unit, as the case may be, shall indicate the
111 prequalification classification and aggregate work capacity rating
112 required for the contract in such advertisement. As used in this section,
113 "prequalification classification" means the prequalification
114 classifications established by the Commissioner of Administrative
115 Services pursuant to section 3 of [this act] public act 03-215 and
116 "aggregate work capacity rating" means the aggregate work capacity

117 ratings established by the Commissioner of Administrative Services
118 pursuant to section 3 of [this act] public act 03-215.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>

GAE *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Department of Administrative Services	GF - None	None	None
Pub. Works, Dept.	GF - None	None	None
Treasurer, Debt Serv.	GO Bond Funds - None	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires that the Department of Public Works (DPW) give preference to Connecticut bidders, all other factors being equal, when awarding contracts for the construction, repair, or demolition of any public building (under DPW control) estimated to cost more than \$500,000. This is not expected to increase the cost of state capital projects financed with bond funds because it does not change the statutory requirement that contracts be awarded to qualified contractors with the lowest bid price. There is also no fiscal impact to DPW because the agency currently has in place procedures for obtaining information on contractors as part of its contract bidding review process.

The bill also requires that the Department of Administrative Services (DAS) give preference to Connecticut bidders, all other factors being equal, when awarding state contracts. This requirement is not anticipated have a fiscal impact on state contracts as current contract requirements, such as awarding the contract to the lowest responsible qualified bidder, have not changed.

OLR Bill Analysis

SB 579

AN ACT PROVIDING A PREFERENCE FOR CONNECTICUT COMPANIES IN COMPETITIVE BIDDING OF STATE CONTRACTS**SUMMARY:**

The law requires preference in awarding state contracts, when all other factors are equal, to be given to supplies, materials, and equipment produced, assembled, or manufactured in Connecticut and services originating and provided in the state. The bill adds a preference for bidders or proposers based in Connecticut. It also requires preference to be given to Connecticut-based bidders, when all other factors are equal, when awarding a state contract for public building construction, reconstruction, alteration, remodeling, repair, or demolition.

EFFECTIVE DATE: October 1, 2004

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Report

Yea 16 Nay 0